Docket: : A.21-01-003

Exhibit Number : Cal Adv - ____

Commissioner : Martha Guzman Aceves Administrative Law Judge : Daphne Lee

Public Advocates Office

Witness : Prashanta Adhikari



PUBLIC ADVOCATES OFFICE



REPORT AND RECOMMENDATIONS ON RESULTS OF OPERATIONS

Application 21-01-003

San Francisco, California May 25, 2021 This page intentionally left blank

MEMORANDUM

1	The Public Advocates Office at the California Public Utilities Commission (Cal
2	Advocates) examined requests and data presented by San Jose Water Company (SJWC)
3	in Application (A.) 21-01-003 (Application) to provide the California Public Utilities
4	Commission (Commission) with recommendations that represent the interests of SJWC's
5	customers for safe and reliable service at the lowest cost. This Report is prepared by
6	Prashanta Adhikari. Ting-Pong Yuen is Cal Advocates' project lead for this proceeding.
7	Mukunda Dawadi is the oversight Program and Project Supervisor, and Angela Wuerth is
8	the legal counsel.
9	Although every effort was made to comprehensively review, analyze, and provide
10	the Commission with recommendations on each ratemaking and policy aspect of the
11	requests presented in the Application, the absence from Cal Advocates' testimony of any
12	particular issue does not constitute its endorsement or acceptance of the underlying
13	request, or the methodology or policy position supporting the request.

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Results of Operations Tables	4
Attachment 1: Statement of Qualifications - Prashanta Adhikari	

RESULTS OF OPERATIONS SUMMARY

Generally, the process for determining what rate changes are necessary requires comparing two basic calculations. The first produces a Revenue Requirement, an estimate of the budget that a utility needs to provide safe and reliable service. The second calculation estimates the utility's ability to achieve the Revenue Requirement by forecasting the revenue likely to be collected at present rates. The difference (as a percentage) between these two calculations determines the overall change in average system rates. When the Revenue Requirement exceeds the revenue estimated at present rates, an increase in average system rates is needed. On the other hand, an increase in customers, water consumption, or rates may produce an estimated revenue that exceeds the calculated Revenue Requirement and, therefore, a decrease in average system rates is necessary.

The following table compares the increase in revenue from present rates necessary to achieve the Revenue Requirements estimated by Cal Advocates and SJWC for each of the three years addressed in this proceeding. The percentages shown reflect the resulting change in average system rates.

Table 1: Comparison between Cal Advocates Recommended and SJWC Requested

Revenue Increase

	Cal Adve	ocates	SJW	С
Year	Increased Revenue	Percentage Increase	Increased Revenue	Percentage Increase
2022	\$16.6 million	4.06%	\$51.6 million	13.35%
2023	\$12.8 million	3.00%	\$16.9 million	3.88%
2024	\$13.8 million	3.14%	\$19.2 million	4.24%

 $[\]frac{1}{2}$ Present rates are the rates customers are currently paying as authorized by the Commission.

1 The Commission should adopt a revenue increases of 4.20% in TY 2022, 3.06% in 2 2023, and 3.22% in 2024. SJWC proposes revenue requirement increases of 13.35% in 3 Test Year (TY) 2022, 3.88% in 2023, and 4.24% in 2024 in its Application.² SJWC 4 updated its Application (45-day update) on March 4, 2021. Through its 45-day update, 5 SJWC requests revenue requirement increases of 8.06% in 2022, 4.26% in 2023, and 6 4.86% in 2024. Even though SJWC's 45-day update generates a lower percentage rate 7 increase for TY 2022 than its Application, it still results in a revenue requirement that is 8 \$3.6 million higher than its Application. This lower percentage rate increase is due to the 9 higher present rate revenue amount after incorporating the latest authorized rates. The 10 CPUC has authorized rate increases for 2021, through advice letters such as the escalation filing Advice Letter 556, $\frac{4}{2}$ which was not reflected in the original application, 11 12 but is in the 45-day update. 13 The Commission should adopt a total revenue requirement of \$426.6 million in 14 TY 2022. This recommendation is \$11.6 million less than SJWC's requested revenue 15 requirement of \$438.2 million in the application.⁵ 16 Cal Advocates' recommended total revenue requirement is an increase of \$16.6 17 million from present rates for TY 2022. Cal Advocates' recommended revenue increase includes an additional \$15 million in Purchased Water and Pump Tax costs.6 18 19 SJWC's requested revenue requirement is an increase of \$51.6 million from 20 present rates for TY 2022. SJWC's requested revenue requirement increase does not 21 include Purchased Water and Pump Tax costs of \$15 million, which SJWC instead would

surcharges between General Rate Cases.

track in balancing accounts that would later be recovered from customers through

22

23

² SJWC 2021 GRC Application, pg. 1.

³ SJWC's requests \$438.2 million revenue requirement in the Application (A.)21-01-003 and later updates with \$441.8 million in its 45-day updates filed on March 4, 2021.

⁴ SJWC Advice Letter ADV 556

⁵ Cal Advocates recommended revenue requirement in TY 2022 is \$11.7 million lower than SJWC's requested revenue requirement of \$441.8 million in its 45-day updates.

⁶ See Direct Testimony of Andrew Sweeney.

CAL ADVOCATES REPORTS AND WITNESSES

- The following table identifies Cal Advocates' reports and witnesses that provide
- 2 analysis and recommendations:

Table 2: Cal Advocates Reports and Witnesses

Report Author	Report Title
Prashanta Adhikari	Report and Recommendations on Results of operations
Prashanta Adhikari	Report and Recommendations on Taxes and Rate Base
Ting Pong-Yuen	Report and Recommendations on Payroll, Administrative & General Expenses, and Rate Design
Andrew Sweeney	Report and Recommendations on Operations and Maintenance Expenses
Daphne Goldberg	Report and Recommendations on Utility Plant, Construction-Work-in-Progress, Depreciation, Water Quality, Customer Service, Wildland Fire Mitigation Request, and Montevina Water Treatment Plant Request for Additional Cost Recovery
Phong Ly	Report and Recommendations on General Office – IT projects and recorded plant, Transmission and Distribution and Pump Stations and Equipment
Isaac Gendler	Report and Recommendations on Pumps and Motors
Niamh Murphy	Report and Recommendations on Generators and Disaster Relief Plan
Niamh Murphy	Report and Recommendations on Non-Tariff Products and Services
Niamh Murphy	Report and Recommendations on Balancing and Memorandum Accounts

RESULTS OF OPERATIONS TABLES

- In developing the following Results of Operations ("RO") Tables, Cal Advocates
- 2 utilized SJWC's Results of Operations Model. Cal Advocates' adjustments reflect the
- 3 recommendations presented in its testimonies.

	SAN JOSE WATER COM				
	TABLE 1 SUMMARY OF EARNIN				
	SUMMART OF EARIN	(GS - TEST TEAK			
		Cal Advocates-	SJWC-		
Tes	Year 2022 (\$000)	Present	Present	SJWC > Cal Ac	lvocates
		Rates	Rates		
1	Revenue:				
2	Operating Revenues	408,459.6	386,045.3	(22,414.3)	-5.5%
3	Deferred Revenue on CIAC - Gross of Tax	1,500.0	599.0	(901.0)	-60.1%
4	Total Revenue	409,959.6	386,644.3	(23,315.3)	-5.7%
5	Operating Expenses:				
6	Purchased Water Potable	110,927.0	101,305.0	(9,622.0)	-8.7%
7	Purchased Water Recycled	3,662.6	3,908.3	245.7	6.7%
8	Purchased Power	5,608.8	7,443.5	1,834.7	32.7%
9	Pump Taxes	57,246.0	52,147.0	(5,099.0)	-8.9%
10	Other Operating Expenses	16,045.2	17,204.9	1,159.7	7.2%
11	Customer Account Expense	8,557.8	11,363.3	2,805.5	32.8%
12	Administrative and General Expense	39,788.6	44,844.1	5,055.5	12.7%
13	Maintenance Expense	16,101.9	16,824.3	722.4	4.5%
14	Taxes Other Than Income	15,142.8	16,147.5	1,004.7	6.6%
15	Depreciation and Amortization	68,444.3	71,314.0	2,869.7	4.2%
16	California Corporate Franchise Tax	3,762.9	1,688.2	(2,074.7)	-55.1%
17	Federal Income Tax	6,569.0	2,160.7	(4,408.3)	-67.1%
18	Amortization of Unrecoverable Prepaid Tax-Advances (1987)	195.6	195.6	0.0	0.0%
19	Reversal of Excess Deferred Tax	(3,202.1)	(3,202.1)	0.0	0.0%
20	Total Operating Expenses	348,850.3	343,344.4	(5,505.9)	-1.6%
21	Not On questing Payanus	61 100 2	42 200 0	(17 900 2)	-29.1%
	Net Operating Revenues Weighted Average Rate Base	61,109.2 949,818.1	43,299.9 1,039,818.7	(17,809.3) 90,000.6	
	Return on Rate Base at Present Rates	6.43%	4.16%	-2.27%	9.5%
	2400 11 011 2400 40 2 1 00011 241100			2,2,7,0	001070
		Cal Advocates-	SJWC-		
Test	Year 2022 (\$000)	Proposed	Proposed	SJWC > Cal Ac	lvocates
		Rates	Rates		
1	Revenue:				
2	Operating Revenues	425,050.9	437,629.1	12,578.2	3.0%
3	Deferred Revenue on CIAC - Gross of Tax	1,500.0	599.0	(901.0)	-60.1%
4	Total Revenue	426,550.9	438,228.1	11,677.2	2.7%
5	Operating Expenses:				
6	Purchased Water Potable	110,927.0	101,305.0	(9,622.0)	-8.7%
7	Purchased Water Recycled	3,662.6	3,908.3	245.7	6.7%
8	Purchased Power	5,608.8	7,443.5	1,834.7	32.7%
_	Pump Taxes	57,246.0	52,147.0	(5,099.0)	-8.9%
9	Other Operating Expenses	16,045.2	17,204.9	1,159.7	7.2%
10	1 0 1		11 262 2	2,786.8	32.5%
10 11	Customer Account Expense	8,576.5	11,363.3		
10 11 12	Customer Account Expense Administrative and General Expense	39,788.6	44,844.1	5,055.5	
10 11 12 13	Customer Account Expense Administrative and General Expense Maintenance Expense		44,844.1 16,824.3		
10 11 12	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income	39,788.6	44,844.1	5,055.5	4.5%
10 11 12 13	Customer Account Expense Administrative and General Expense Maintenance Expense	39,788.6 16,101.9	44,844.1 16,824.3	5,055.5 722.4	4.5% 7.1% 4.2%
10 11 12 13 14	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax	39,788.6 16,101.9 15,182.8	44,844.1 16,824.3 16,259.9	5,055.5 722.4 1,077.1	4.5% 7.1% 4.2%
10 11 12 13 14 15	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax Federal Income Tax	39,788.6 16,101.9 15,182.8 68,444.3	44,844.1 16,824.3 16,259.9 71,314.0	5,055.5 722.4 1,077.1 2,869.7	4.5% 7.1% 4.2% 19.3%
10 11 12 13 14 15 16	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax	39,788.6 16,101.9 15,182.8 68,444.3 5,224.4	44,844.1 16,824.3 16,259.9 71,314.0 6,234.0	5,055.5 722.4 1,077.1 2,869.7 1,009.6	4.5% 7.1% 4.2% 19.3% 27.4%
10 11 12 13 14 15 16 17 18 19	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax Federal Income Tax Amortization of Unrecoverable Prepaid Tax-Advances (1987) Reversal of excess deferred tax	39,788.6 16,101.9 15,182.8 68,444.3 5,224.4 10,176.1 195.6 (3,202.1)	44,844.1 16,824.3 16,259.9 71,314.0 6,234.0 12,959.6 195.6 (3,202.1)	5,055.5 722.4 1,077.1 2,869.7 1,009.6 2,783.5 0.0 0.0	4.5% 7.1% 4.2% 19.3% 27.4% 0.0%
10 11 12 13 14 15 16 17 18 19	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax Federal Income Tax Amortization of Unrecoverable Prepaid Tax-Advances (1987)	39,788.6 16,101.9 15,182.8 68,444.3 5,224.4 10,176.1 195.6	44,844.1 16,824.3 16,259.9 71,314.0 6,234.0 12,959.6 195.6	5,055.5 722.4 1,077.1 2,869.7 1,009.6 2,783.5 0.0	4.5% 7.1% 4.2% 19.3% 27.4% 0.0% 0.0%
10 11 12 13 14 15 16 17 18 19 20	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax Federal Income Tax Amortization of Unrecoverable Prepaid Tax-Advances (1987) Reversal of excess deferred tax	39,788.6 16,101.9 15,182.8 68,444.3 5,224.4 10,176.1 195.6 (3,202.1)	44,844.1 16,824.3 16,259.9 71,314.0 6,234.0 12,959.6 195.6 (3,202.1)	5,055.5 722.4 1,077.1 2,869.7 1,009.6 2,783.5 0.0 0.0	12.7% 4.5% 7.1% 4.2% 19.3% 27.4% 0.0% 1.4%
10 11 12 13 14 15 16 17 18 19 20	Customer Account Expense Administrative and General Expense Maintenance Expense Taxes Other Than Income Depreciation and Amortization California Corporate Franchise Tax Federal Income Tax Amortization of Unrecoverable Prepaid Tax-Advances (1987) Reversal of excess deferred tax Total Operating Expenses	39,788.6 16,101.9 15,182.8 68,444.3 5,224.4 10,176.1 195.6 (3,202.1) 353,977.6	44,844.1 16,824.3 16,259.9 71,314.0 6,234.0 12,959.6 195.6 (3,202.1) 358,801.5	5,055.5 722.4 1,077.1 2,869.7 1,009.6 2,783.5 0.0 0.0 4,823.9	4.5% 7.1% 4.2% 19.3% 27.4% 0.0% 1.4%

For	TABLE 1 SUMMARY OF EARNINGS - 1		ARS		
1	Illustrative Purposes (\$000)	Cal Advocates 2023	Cal Advocates 2024	2023-2024 Inci	rease
	Revenue:				
2	Operating Revenues	436,900.6	449,652.5	12,751.9	2.9%
3	Deferred Revenue on CIAC - Gross of Tax	1,678.0	1,678.0	0.0	0.0%
4	Total Revenue	438,578.6	451,330.5	12,751.9	2.9%
5	Operating Expenses:*				
6	Purchased Water Potable	111,645.0	111,645.0	0.0	0.0%
7	Purchased Water Recycled	4,083.0	4,393.8	310.8	7.6%
8	Purchased Power	5,592.6	5,604.2	11.7	0.2%
9	Pump Taxes	56,087.0	56,441.0	354.0	0.6%
10	Other Operating Expenses	17,020.8	17,654.7	633.8	3.7%
				278.1	
11	Customer Account Expense	8,983.7 40,697.1	9,261.8	685.7	3.1%
12	Administrative and General Expense		41,382.8		
13	Maintenance Expense	16,914.3	17,700.3	786.0	4.6%
14	Taxes Other Than Income	15,750.1	16,219.3	469.2	3.0%
15	Depreciation and Amortization	70,232.4	72,020.5	1,788.1	2.5%
16	California Corporate Franchise Tax	5,361.3	5,837.1	475.7	8.9%
17	Federal Income Tax	10,432.8	11,254.5	821.7	7.9%
18	Amortization of Unrecoverable Prepaid Tax-Advances (1987)	195.6	195.6	0.0	0.0%
19	Reversal of excess deferred tax	(3,161.5)	(3,161.5)	0.0	0.0%
20	Total Operating Expenses	359,834.2	366,449.2	6,614.9	1.8%
21	Net Operating Revenues	78,744.4	84,881.3	6,136.9	7.8%
	Weighted Average Rate Base	1,030,415.0	1,111,012.0	80,596.9	7.8%
	Return on Rate Base	7.64%	7.64%	(0.0)	0.0%
	to-Gross (NTG) Multiplier for 2 nd Escalation Year & Other set Filings	with income tax	w/o income tax effect	Calculations	
	ov 1 milgo				
1	Uncollectibles Rate	0.11258%	0.11258%		
2	100% - Uncollectibles Rate	99.88742%	99.88742%	100% - [1]	
3	Franchise Tax Rate	0.24090%	0.24090%		
4	Franchise Tax	0.24063%		[2] x [3]	
5	Business License Rate	0.00000%	0.00000%	[=] [=]	
6	Business License cost	0.00000%	0.00000%	[2] x [5]	
7	Subtotal	0.35321%	0.35321%	[1+4+6]	
8	100% - Subtotal	99.64679%	99.64679%	100% - [7]	
9	California Corporate Franchise Tax Rate	8.84%	JJ.0101J/0	[,]	
10	California Corporate Franchise Tax	8.80878%		[8] x [9]	
11	American Jobs Creation Act Rate	3.0007070		[~] ~ [>]	
	American Jobs Creation Act deductions *			[8-1]x[11]xprod	%
	Federal Income Tax Rate	21.00%		$\iota \cup I J \iota \iota \iota J \iota \iota J \iota \iota \iota \iota \iota \iota \iota$, 0
	Federal Income Tax	19.07598%		[8-10-12] x 13	
	Total Taxes Paid	28.23797%	0.35321%	[7+10+14]	
	Net After Taxes	71.76203%	99.64679%	100% - [15]	
17	NTG Multiplier	1.39349			
		210,201,7		, r1	
	Capital Structure	NTG Multiplier			
18	Debt 46.7%	1.00354	0.46886	w/o income taxes	
	Equity 53.3%	1.39349	<u>0.74245</u>	with income taxe	
19					
19	Total 100.0% * prod% = ratio of total well and surface water to total water suppl		1.21131	Wtd. NTG Mult	iplier

SAN JOSE WATER COMPANY A.21-01-003 TABLE 2-1 AVERAGE WATER SALES PER CUSTOMER (OR PER CONNECTION) SJWC > Cal Advocates Test Year 2022 (CCF/connection/year)* Cal Advocates 1 Metered Average Water Sales: Potable Water 0.0% Residential 131.0 131.0 0.0 4 Business 758.0 758.0 0.0 0.0% 5 Industrial 3,567.0 3,567.0 0.0 0.0% 6 Public Authorities 2,219.0 2,219.0 0.0 0.0% 7 -0.5% Resale 6,093.8 6,062.5 (31.3)8 Other 13.2 261.8 274.9 5.0% 9 Raw and Recycled Water 10 Raw Water 200.0 18,000.0 18,200.0 1.1% 268.0 11 Recycled Water 3,166.0 3,434.0 8.5% 12 Recycled Water Well 47,133.0 48,370.0 1,237.0 2.6% Escalation Year 2023 (CCF/connection/year)* Cal Advocates SJWC > Cal Advocates **Metered Average Water Sales:** Potable Water 3 0.0 0.0% Residential 129.0 129.0 4 Business 762.0 762.0 0.0 0.0% 5 Industrial 3,603.0 3,603.0 0.0 0.0% 6 **Public Authorities** 2,244.0 2,244.0 0.0 0.0% 7 6,062.5 -0.5% Resale 6,093.8 (31.3)8 Other 242.5 260.0 17.5 7.2% 9 Raw and Recycled Water 10 Raw Water 18,200.0 200.0 1.1% 18,000.0 7.3% 11 Recycled Water 3,685.0 3,953.0 268.0 Recycled Water Well 12 48,370.0 1,237.0 2.6% 47,133.0

SAN JOSE WATER COMPANY A.21-01-003 TABLE 2-2 AVERAGE NUMBER OF CUSTOMERS (SERVICE CONNECTIONS)

Test	Year 2022	Cal Advocates	SJWC	SJWC > Cal Adv	ocates
1	Metered Customers (Service Connections):				
2	Potable Water				
3	Residential	200,515	200,431	(84)	0%
4	Business	20,976	20,894	(82)	0%
5	Industrial	50	51	1	29
6	Public Authorities	1,276	1,264	(12)	-19
7	Resale	32	32	0	09
8	Other	340	331	(9)	-39
9	Total Potable Metered Customers	223,189	223,003	(186)	09
10	Raw and Recycled Water	223,189			
11	Raw Water	5	5	0	09
12	Recycled Water	278	278	0	09
13	Recycled Water Well	8	8	0	09
14	Total Raw and Recycled Water Customers	291	291	0	09
15	Total Metered Customers	223,480	223,294	(186)	09
		223,480			
16	Up-size to Residential with Fire Service	5,848	5,738	(110)	-29
17	Fire Services:				
18	Private Fire Services	4,193	4.168	(25)	-19
19	Public Fire Services	0	0	0	09
	Total Fire Services	4,193	4,168	(25)	-19
21	Total Number of Connections:				
	Including Fire Protection	227,673	227,462	(211)	09
22 23	Excluding Fire Protection	223,480	223,294	(186)	0%
23					
23	Excluding Fire Protection	223,480	223,294	(186)	
23 Esca	Excluding Fire Protection Alation Year 2023	223,480	223,294	(186)	
23 Esca 1	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections):	223,480	223,294	(186)	ocate
23 Esc: 1 2	Excluding Fire Protection Plation Year 2023 Metered Customers (Service Connections): Potable Water	223,480 Cal Advocates	223,294 SJWC	(186) SJWC > Cal Adv	vocate
23 1 2 3	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential	223,480 Cal Advocates 200,768	223,294 SJWC 200,642	(186) SJWC > Cal Adv (126)	09 -19
23 1 2 3 4	Excluding Fire Protection Lation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business	223,480 Cal Advocates 200,768 21,152	223,294 SJWC 200,642 21,029	(186) SJWC > Cal Adv (126) (123)	09 -19 29
23 1 2 3 4 5	Excluding Fire Protection Lation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial	223,480 Cal Advocates 200,768 21,152 50	223,294 SJWC 200,642 21,029 51	(186) SJWC > Cal Adv (126) (123) 1	09 -19 29 -19
23 1 2 3 4 5 6 7	Excluding Fire Protection Lation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities	223,480 Cal Advocates 200,768 21,152 50 1,269	223,294 SJWC 200,642 21,029 51 1,256	(186) SJWC > Cal Adv (126) (123) 1 (13)	09 -19 -19 -19 -09
23 Esc: 1 2 3 4 5 6	Excluding Fire Protection Lation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale	223,480 Cal Advocates 200,768 21,152 50 1,269 32	223,294 SJWC 200,642 21,029 51 1,256 32	(186) SJWC > Cal Adv (126) (123) 1 (13) 0	09 -19 29 -19 09 -59
23 Esc: 1 2 3 4 5 6 7 8	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367	223,294 SJWC 200,642 21,029 51 1,256 32 350	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17)	09 -19 29 -19 09 -59
23 1 2 3 4 5 6 7 8 9	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367	223,294 SJWC 200,642 21,029 51 1,256 32 350	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17)	09 -19 29 -19 09 -59
23 Esca 1 2 3 4 5 6 7 8 9 10 11	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278)	09 -19 29 -19 09 -59
23 Esca 1 2 3 4 5 6 7 8 9 10 11 12	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278)	09 -19 -29 -19 -09 -59 -09
23 1 2 3 4 5 6 7 8 9 10 11 12 13	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278)	09 -19 -29 -19 -59 -09 -09
23 Esc: 1 2 3 4 5 6 7 8 9 10 11 12 13 14	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Recycled Water Well	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0	09 -19 -19 -19 -19 -19 -19 -19 -19 -19 -1
23 1 2 3 4 5 6 7 8 9 10 11 12 13 14	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers	223,480 Cal Advocates 200,768 21,152 50 1,269 32 223,638 5 8 278 291	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 0	09 -19 29 -19 09 -59 09 09 09
23 1 2 3 4 5 6 7 8 9 10 11 12 13 14	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers	223,480 Cal Advocates 200,768 21,152 50 1,269 32 223,638 5 8 278 291 223,929	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 0	099 -19 -29 -19 -19 -19 -59 -59 -59 -09 -09 -09 -09 -09
23 2 3 4 5 6 7 8 9 10 11 12 13 14 15	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Recycled Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Total Metered Customers	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 (278)	099 -19 -29 -19 -19 -19 -59 -59 -59 -09 -09 -09 -09 -09
23 2 3 4 5 6 7 8 9 10 11 12 13 14 15	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Total Metered Customers Up-size to Residential with Fire Service Fire Services:	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929 6,167	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 0 (278)	099 -19 -19 -19 -19 -19 -19 -19 -19 -19 -
23 Esc: 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Total Metered Customers Total Metered Customers Total Metered Customers Fire Services: Private Fire Services	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929 6,167	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651 6,041	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 (278) (126) (126)	099 -19 -19 -19 -19 -19 -19 -19 -19 -19 -
23 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Total Metered Customers Total Metered Customers Fire Services: Private Fire Services Public Fire Services	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929 6,167 4,272 0	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651 6,041 4,233 0	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 0 (278)	09 -19 29 -19 09 -59 09 09 09 -29
23 23 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Total Metered Customers Total Metered Customers Total Metered Customers Fire Services: Private Fire Services	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929 6,167 4,272 0 4,272	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651 6,041	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 (278) (126) (126)	09 -19 29 -19 09 -59 09 09 09 -29
23 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	Excluding Fire Protection Alation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Total Metered Customers Total Metered Customers Fire Services: Private Fire Services Public Fire Services	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929 6,167 4,272 0	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651 6,041 4,233 0	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 (278) (126) (126)	0% ocates 0% -1% -1% -1% 0% -5% 0% 0% 0% 0% 0% 0% 0% 0% 0%
23 Esca 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	Excluding Fire Protection Adation Year 2023 Metered Customers (Service Connections): Potable Water Residential Business Industrial Public Authorities Resale Other Total Potable Metered Customers Raw and Recycled Water Raw Water Recycled Water Recycled Water Well Total Raw and Recycled Water Customers Total Metered Customers Up-size to Residential with Fire Service Fire Services: Private Fire Services Public Fire Services Fire Services Subtotal	223,480 Cal Advocates 200,768 21,152 50 1,269 32 367 223,638 5 8 278 291 223,929 223,929 6,167 4,272 0 4,272	223,294 SJWC 200,642 21,029 51 1,256 32 350 223,360 5 8 278 291 223,651 6,041 4,233 0	(186) SJWC > Cal Adv (126) (123) 1 (13) 0 (17) (278) 0 0 0 (278) (126) (126)	0% -1% -1% -1% -1% -1% -0% -5% -0% -5% -5% -5% -1%

	SAN JOSE WATER CO TABLI				
	TOTAL SALES	AND SUPPLY			
Test	Year 2022 (KCCF)	Cal Advocates	SJWC	SJWC > Cal Ad	lvocate
1	Metered Sales:				
2	Potable Water sales				
3	Residential	26,267.0	26,256.0	(11)	0.0
4	Business	15,900.0	15,838.0	(62)	-0.4
5	Industrial	178.0	182.0	4	2.2
6 7	Public Authorities Resale	2,831.0 195.0	2,805.0 194.0	(26)	-0.9 -0.5
8	Other	89.0	91.0	(1)	2.2
9	Total Potable Water Sales	45,460.0	45,366.0	(94)	-0.2
10	Raw and Recycled Water Sales	45,460.0	.5,500.0	(> .)	012
11	Raw Water	90.0	91.0	1	1.1
12	Recycled Water Piped	880.2	954.6	74	8.5
13	Recycled Water Former Well	377.1	387.0	10	2.0
14	Total Raw and Recycled Water Sales	1,347.2	1,432.6	85	6.3
15	Total Metered Sales	46,807.2	46,798.6	(9)	0.0
16	Total Potable Water Sales	45,460.0	45,366.0	(94)	-0.2
17	Unaccounted for Water % (water loss)	7.300%	7.300%	0	0.0
18	Water Loss	3,558.0	3,550.0	(8)	-0.2
19	Total Requirement (Sales + Water Loss) *	49,018.0	48,916.0	(102)	-0.2
	Total Requirement in Acre Feet				
	WATER SUPPLY MIX:				
21	Well Water	16,634.8	16,532.8	(102)	-0.0
22	Purchased Water	29,938.0	29,938.0	0	0.0
23 24	Surface Supply Total Supply **	2,445.2 49,018.0	2,445.2 48,916.0	(102)	-0.2
24 25	Variance between Total Requirement and Supply	0.0	0.0	(102)	-0.2
23	variance between Total Kequirement and Supply	0.0	0.0		
	nlation Year 2023 (KCCF)	Cal Advocates	SJWC	SJWC > Cal Ad	lvocat
1	Metered Sales:	Carrantocates	50	50 11 C C C C C C C C C C C C C C C C C C	
2	Potable Water sales				
3	Residential	25,899.0	25,883.0	(16)	-0.
4	Business	16,118.0	16,024.0	(94)	-0.6
5	Industrial	180.0	184.0	4	2.2
6	Public Authorities	2,848.0	2,818.0	(30)	-1.
7	Resale	195.0	194.0	(1)	-0.:
8	Other	89.0	91.0	2	2.2
9	Total Potable Water Sales	45,329.0	45,194.0	(135)	-0
10	Raw and Recycled Water Sales				
11	Raw Water	90.0	91.0	1	1.
12	Recycled Water	1,024.5	1,098.9	74	7.3
13	Recycled Water Well	377.1	387.0	10	2.0
14	Total Raw and Recycled Water Sales	1,491.5	1,576.9	85	5.7
15	Total Metered Sales	46,820.5	46,770.9	(50)	-0.
		46,820.5			0.0
16	Total Potable Water Sales	45,329.0	45,194.0	(135)	-0.0
17	Unaccounted for Water % (water loss)	7.300%	7.300%	0	0.0
18	Water Loss	3,547.0	3,537.0	(10)	-0.
1.0	T.A. D. m. (Calaa, W. J.)	40.07.6.0	40 521 6	(1.45)	
	Total Requirement (Sales + Water Loss) * Total Requirement in Acre Feet	48,876.0	48,731.0	(145)	- 0.3
19					
	WATER SUPPLY MIX:	17 200 0	16 152 0	(145)	
20	XX-11 XX-4	16,298.8	16,153.8 30,132.0	(145)	-0. 0.
20 21	Well Water	20 122 0			()(
20 21 22	Purchased Water	30,132.0			
20 21 22 23	Purchased Water Surface Supply	2,445.2	2,445.2	0	0.0
20 21 22 23	Purchased Water				

		SAN JOSE WATER	COMPANY A.21-01-003			
			BLE 2-4			
			UES AT PRESENT RATES			
Test	t Year 2022 (\$0	00)	Cal Advocates	SJWC	SJWC > Cal A	dvocates
1	METERED SALI	ES REVENUE				
2	Potable Wa					
3	Reside	ntial	246,673.0	239,106.0	(7,567.0)	-3.1%
4	Busine		123,325.0	111,361.0	(11,964.0)	-9.7%
5	Industr		1,212.0	1,211.0	(1.0)	-0.1%
6 7	Public . Resale	Authorities	20,352.0 1,165.0	18,562.0 1,047.0	(1,790.0) (118.0)	-8.8% -10.1%
8	Other		2,002.0	1,909.0	(93.0)	-4.6%
9	1	e Water Revenue	394,729.0	373,196.0	(21,533.0)	-5.5%
10	Raw and Re		33 1,72313	373,170.0	(21,555.0)	2.270
11	Raw W		436.0	436.0	0.0	0.0%
12	Recycl	ed Water	7,005.0	6,340.0	(665.0)	-9.5%
13						
14		nd Recycled Water	7,441.0	6,776.0	(665.0)	-8.9%
15	METERED SAL	ES REVENUE SUBTOTAL	402,170.0 402,170.0	379,972.0	(22,198.0)	-5.5%
16	ELAT DATE EIE	E SERVICE REVENUE	402,170.0			
17		to Residential with Fire Service	357.6	350.3	(7.3)	-2.0%
18		Fire Service	5,728.0	5,519.0	(209.0)	-3.6%
19	FLAT RATE FIR	E SERVICE REVENUE SUBTOTAL	6,085.6	5,869.3	(216.3)	-3.6%
20	MISCELLANEO	<u>US REVENUE</u>				
21	Rent		0.0	0.0	0.0	0.0%
22	Other	UC DEVENUE OF IDECTAL	204.0	204.0	0.0	0.0%
23	MISCELLANEO	US REVENUE SUBTOTAL	204.0	204.0	0.0	0.0%
24	Operating Rever	ues	408,459.6	386,045.3	(22,414.3)	-5.5%
		e on CIAC - Gross of Tax	1,500.0	1,500.0	0.0	0.0%
			100.000			
26		at Present Rates, Test Year 2022	409,959.6	387,545.3	G *****	
Esca	alation Year 2023	5 (\$000)	Cal Advocates	SJWC	SJWC > Cal A	dvocates
1	METERED SALI	ES REVENUE				
2	Potable Wa	ter Revenue				
3	Reside	ntial	244,951.0	237,387.0	(7,564.0)	-3.1%
4	Busine		124,777.0	112,469.0	(12,308.0)	-9.9%
5	Industr		1,216.0	1,214.0	(2.0)	-0.2%
6		Authorities	20,393.0	18,600.0	(1,793.0)	-8.8%
7	Resale		1,165.0	1,047.0	(118.0)	-10.1% -6.2%
8	Other Total Potab	e Water Revenue	2,125.0 394,627.0	1,993.0 372,710.0	(132.0) (21,917.0)	-5.6%
10		cycle Water	374,027.0	372,710.0	0.0	0.0%
11	Raw W	•	452.2	452.2	0.0	0.0%
12		ed Water	7,668.0	6,981.0	(687.0)	-9.0%
13		ed Water Well	0.0	0.0	0.0	0.0%
14		nd Recycled Water	8,120.2	7,433.2	(687.0)	-8.5%
15	METERED SALI	ES REVENUE SUBTOTAL	402,747.2	380,143.2	(22,604.0)	-5.6%
10		E CEDVICE DEVENTIE	402,747.2			
17		E SERVICE REVENUE to Residential with Fire Service	377.0	369.0	(8.0)	-2.1%
18		Fire Service	5,835.0	5,605.0	(230.0)	-3.9%
		E REVENUE SUBTOTAL	6,212.0	5,974.0	(238.0)	-3.8%
20	MISCELLANEO	<u>US REVENUE</u>				
21	Rent		0.0	0.0	0.0	0.0%
22	Other	I I A DEVENOUS ASSESSMENT OF THE SECOND OF T	204.0	204.0	0.0	0.0%
23	MISCELLANEO	US REVENUE SUBTOTAL	204.0	204.0	0.0	0.0%
24	Operating Rever	1100	409,163.2	386,321.2	(22,842.0)	-5.6%
		e on CIAC - Gross of Tax	1,678.0	1,678.0	0.0	0.0%
20	Described New Citt	con chic - Gloss of Tax	1,070.0	1,070.0	0.0	0.070

SAN JOSE WATER COMPANY A.21-01-003 TABLE 3-1 OPERATIONS & MAINTENANCE EXPENSES - TEST YEAR

Test	Year 2022 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ad	dvocates
1	Operations Expenses:				
2	Supply Expense:				
3	Purchased Water Potable	110,927.0	101,305.0	(9,622.0)	-8.7%
4	Purchased Water Recycle	3,662.6	3,908.3	245.7	6.7%
5	Other Source of Supply (Labor, Transp., M&S, Other)	2,646.9	2,733.6	86.7	3.3%
6	Purchased Power (Pumping)	5,608.8	7,443.5	1,834.7	32.7%
7	Pump Taxes (Pumped Water Cost)	57,246.0	52,147.0	(5,099.0)	-8.9%
8	Other Pumping Expenses (Labor, Transp., M&S)	4,299.9	4,649.5	349.6	8.1%
9	Total Supply Expenses	184,391.3	172,186.9	(12,204.3)	-6.6%
10	Water Treatment:				
11	Chemicals	547.0	547.0	0.0	0.0%
12	Other Water Treatment (Labor, M&S, Reg.Cost, etc.)	4,897.3	5,097.3	200.0	4.1%
13	Transmission and Distribution (Labor, Trasportation, M&S, Other)	4,689.8	5,028.1	338.4	7.2%
14	Customer Accounts less uncollectibles (Labor, trasportation, etc.)	8,096.2	10,953.1	2,856.9	35.3%
15	Non-Tarriffed Service Income Adjustment	(1,035.7)	(850.6)	(185.1)	-17.9%
16	Total Operations Expenses	201,585.9	192,961.8	(8,624.1)	-4.3%
17	Maintenance Expenses (Labor and Purchansed Services-M&S):				
18	Source of Supply Plant	154.9	177.8	22.9	14.8%
19	Pumping Plant	1,507.1	1,214.5	(292.6)	-19.4%
20	Water Treatment Plant	210.9	223.3	12.5	5.9%
21	Transmission & Distribution (including transp. and other)	14,233.1	15,213.9	980.8	6.9%
22	Ratemaking Adjustments (Non-Utility Property Maint Expense)	(4.1)	(5.2)	1.1	26.1%
23	Total Maintenance Expenses	16,101.9	16,824.3	722.4	4.5%
24	Total O&M excluding Uncollectibles	217,687.8	209,786.2	(7,901.6)	-3.6%
25	At Present Rates				
26	Total Revenues (including deferred Revenue on CIAC)	409,959.6	438,229.0	28,269,4	6.9%
27	Uncollectible Rate	0.1126%	0.0936%	-0.0190%	-16.9%
28	Uncollectibles Expense	461.5	410.2	(51.4)	-11.1%
29	Total O&M Expenses including Uncollectibles	218,149.3	210,196.4	(7,953.0)	-3.6%
30	At Proposed Rates				
31	Total Revenues (including deferred Revenue on CIAC)	426,550.9	438,228.1	11,677.2	2.7%
32	Uncollectible Rate	0.1126%	0.0936%	-0.0190%	-16.9%
33	Uncollectibles Expense	480.2	410.2	(70.0)	-14.6%
34	Total O&M Expenses including Uncollectibles	218,168.0	210,196.4	(7,971.6)	-3.7%

		T	CABLE 4-1			
		ADMINISTRATIV	E & GENERAL EXPENSES			
Test	Year 202	2 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ad	lvocates
	A 1 · · ·					
		ative & General Expenses:	12 (00 0	14 101 0	1 402 0	11.70
2	Salar		12,698.0	14,181.0	1,483.0	11.7%
3		ee Supplies (Transpostation and M&S)	3,066.3	3,691.6	625.3	20.4%
4		erty Insurance	268.6	288.8	20.2	7.5%
5		ies and Damages	5,633.4	5,258.9	(374.5)	-6.6%
6		ions,Benefits & PBOP	18,742.2	19,731.9	989.7	5.3%
7		latory Commission	341.7	341.7	0.0	0.0%
8		ide Services	5,082.1	8,216.4	3,134.3	61.7%
9		ral Corporate	691.5	1,197.6	506.1	73.2%
10	Dues	& Membership	622.6	684.1	61.5	9.9%
11	Rent	*	535.1	535.3	0.1	0.0%
12	Main	tenance Expense (Labor and M&S)	3,138.0	2,788.7	(349.3)	-11.1%
13	A &	G Expenses Transferred	(11,030.9)	(12,071.8)	(1,040.9)	9.4%
14	Total A&	G and Miscellaneous Adjustments	39,788.6	44,844.1	5,055.5	12.7%
Esca	lation Ye	ar 2023 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ad	lvocates
1	Administr	ative & General Expenses:				
2	Salar	ies	13,669.0	14,493.0	824.0	6.0%
3	Offic	e Supplies	3,067.6	3,713.0	645.4	21.0%
4	Prop	erty Insurance	288.9	320.3	31.3	10.8%
5	Injur	ies and Damages	5,953.7	5,535.7	(417.9)	-7.0%
6	Pens	ions,Benefits & PBOP	18,408.8	19,440.4	1,031.5	5.6%
7	Regu	latory Commission	349.9	349.9	0.0	0.0%
8		ide Services	5,087.2	8,305.2	3,218.0	63.3%
9		ral Corporate	709.1	1,228.6	519.5	73.3%
10		& Membership	638.4	701.8	63.4	9.9%
11	Rent		548.0	548.1	0.1	0.0%
12		tenance Expense	3.223.0	2.854.9	(368.1)	-11.4%
13		G Expenses Transferred	(11,246.4)	(12,308.3)	1.061.8	9.4%
		r	(,-10.1)	(-=,= : 5:0)	2,002.0	2
		G and Miscellaneous Adjustments	40,697.1	45,182.6	4,485.5	11.0%

		BLE 5-1			
	TAXES OTHE	R THAN INCOME			
Tes	st Year 2022 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ac	lvocates
1					
2	Ad Valorem	10,868.8	11,503.5	634.7	5.8%
3	Business License	163.7	172.3	8.6	5.2%
4	Payroll Taxes (SUI, FUI, FICA)	3,126.4	3,630.6	504.2	16.1%
5	Sub Total	14,158.9	15,306.4	1,147.5	8.1%
6					
7	Operating Revenue <u>EXCLUDING</u> Uncollectibles *	408,459.6	386,045.3	(22,414.3)	-5.5%
8	Effective Local Franchise Tax Rate	0.241%	0.218%	-2.300%	-9.5%
9	Franchise Taxes on applicable op. revenues	984.0	841.2	(142.8)	-14.5%
10	Total Taxes Other Than Income, At Present Rates	15,142.8	16,147.5	1,004.7	6.6%
11	At Proposed Rates				
12		425,050.9	437,629.1	12,578.2	3.0%
13		0.241%	0.218%	-2.300%	-9.5%
14	Franchise Taxes on applicable op. revenues	1,023.9	953.6	(70.4)	-6.9%
15	Total Taxes Other Than Income, At Proposed Rates	15,182.8	16,259.9	1,077.1	7.1%
Esc	calation Year 2023 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ac	lvocates
		Cai Auvocates	53 WC	Do II C > Cullin	
		Cai Advocates	53 110	So We > Carrie	
1					
2	Ad Valorem	11,175.7	12,192.7	1,017.0	9.1%
	Ad Valorem Business License	11,175.7 161.2	12,192.7 181.3	1,017.0 20.0	12.4%
2 3 4	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA)	11,175.7 161.2 3,360.7	12,192.7 181.3 3,726.7	1,017.0 20.0 366.0	12.4% 10.9%
2	Ad Valorem Business License	11,175.7 161.2	12,192.7 181.3	1,017.0 20.0	12.4%
2 3 4 5 6	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates	11,175.7 161.2 3,360.7 14,697.6	12,192.7 181.3 3,726.7	1,017.0 20.0 366.0 1,403.0	12.4% 10.9% 9.5%
2 3 4 5 6 7	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles *	11,175.7 161.2 3,360.7	12,192.7 181.3 3,726.7	1,017.0 20.0 366.0	12.4% 10.9%
2 3 4 5 6 7 8	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241%	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218%	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300%	12.4% 10.9% 9.5% -5.6% -9.5%
2 3 4 5 6 7	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate	11,175.7 161.2 3,360.7 14,697.6	12,192.7 181.3 3,726.7 16,100.7	1,017.0 20.0 366.0 1,403.0 (22,842.0)	12.4% 10.9% 9.5% -5.6%
2 3 4 5 6 7 8 9	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241%	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218%	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300%	12.4% 10.9% 9.5% -5.6% -9.5%
2 3 4 5 6 7 8 9	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate Franchise Taxes on applicable op. revenues Total Taxes Other Than Income, At Present Rates	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241% 985.7	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218% 841.8	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300% (143.9)	12.4% 10.9% 9.5% -5.6% -9.5% -14.6%
2 3 4 5 6 7 8 9	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate Franchise Taxes on applicable op. revenues Total Taxes Other Than Income, At Present Rates At Proposed Rates	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241% 985.7 15,683.3	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218% 841.8	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300% (143.9) 1,259.2	12.4% 10.9% 9.5% -5.6% -9.5% -14.6%
2 3 4 5 6 7 8 9	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate Franchise Taxes on applicable op. revenues Total Taxes Other Than Income, At Present Rates At Proposed Rates Operating Revenue EXCLUDING Uncollectibles *	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241% 985.7 15,683.3	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218% 841.8 16,942.5	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300% (143.9) 1,259.2	12.4% 10.9% 9.5% -5.6% -9.5% -14.6% 8.0%
2 3 4 5 6 7 8 9 10 11 12 13	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate Franchise Taxes on applicable op. revenues Total Taxes Other Than Income, At Present Rates At Proposed Rates Operating Revenue EXCLUDING Uncollectibles *	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241% 985.7 15,683.3	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218% 841.8	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300% (143.9) 1,259.2	12.4% 10.9% 9.5% -5.6% -9.5% -14.6%
2 3 4 5 6 7 8 9 10 11 12 13 14	Ad Valorem Business License Payroll Taxes (SUI, FUI, FICA) Sub Total At Present Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate Franchise Taxes on applicable op. revenues Total Taxes Other Than Income, At Present Rates At Proposed Rates Operating Revenue EXCLUDING Uncollectibles * Effective Local Franchise Tax Rate	11,175.7 161.2 3,360.7 14,697.6 409,163.2 0.241% 985.7 15,683.3	12,192.7 181.3 3,726.7 16,100.7 386,321.2 0.218% 841.8 16,942.5	1,017.0 20.0 366.0 1,403.0 (22,842.0) -2.300% (143.9) 1,259.2	12.4% 10.9% 9.5% -5.6% -9.5% -14.6% 3.7% -9.5%

SAN JOSE WATER COMPANY A.21-01-003

TABLE 6-1 TAXES BASED ON INCOME - TEST YEAR AT PRESENT RATES

Гes	t Year 2022 (\$000)	Cal Advocates	SJWC	SJWC > Cal A	dvocates
1	Operating Revenue at Present Rates	408,459.6	386,045.3	(22,414.3)	-5.5%
1	operating revenue at 1 resent rates	400,437.0	300,043.3	(22,414.3)	3.570
2	Common Deductions:				
3	Operating Expenses	273,417.2	271,549.8	(1,867.4)	-0.7%
4	Transportation Depreciation (Clearing Account)	(1,589.1)	(1,589.1)	0.0	0.0%
5	Interest Expense	27,507.0	30,069.0	2,562.0	9.3%
6	Other Permanent Differences	(6.9)	(6.9)	0.0	0.0%
7	50% Meal Disallowance	(342.9)	(342.9)	0.0	0.0%
8	Deductions excluding Depreciation	298,985.3	299,679.9	694.6	0.2%
9	State Corporation Franchise Tax				
10	Taxable Income before State Tax Depreciation	109,474.3	86,365.4	(23,108.9)	-21.1%
11	Additional Deduction:				
12	Tax Depreciation-State	(59,992.0)	(59,992.0)	0.0	0.0%
13	State Tax Deduction on Repairs and Maintenance	(16,684.6)	(16,684.6)	0.0	0.0%
14	Deferred Revenue (Net of Tax) & Section 263(a)	9,768.8	9,408.7	(360.1)	-3.7%
15	Additional Deduction for CCFT Subtotal	(66,907.9)	(67,268.0)	360.1	0.5%
16	Federal Tax Deductions				
17	Taxable Income Before Federal Tax Depreciation and CCFT	109,474.3	86,365.4	23,108.9	-21.1%
18	Additional Deduction:				
19	Tax Depreciation	(72,947.2)	(72,947.2)	0.0	0.0%
20	Calif. Corporation Franchise Tax	(5,246.3)	(3,129.2)	(2,117.1)	-40.4%
21	IRS Section 199 QPA Deduction	0.0	0.0	0.0	0.0%
22	Additional Deduction for Federal Tax Subtotal	(78,193.5)	(76,076.4)	(2,117.1)	-2.7%
23					
24	California Corporate Franchise Tax (CCFT)				
25	Taxable Income for CCFT	42,566.4	19,097.4	(23,469.0)	-55.1%
26	CCFT Rate	8.84%	8.84%	0.0%	0.0%
27	Total CCFT	3,762.9	1,688.2	(2,074.7)	-55.1%
28	Federal Income Tax (FIT)				
29	Taxable Income for FIT	31,280.8	10,289.1	(20,991.8)	-67.1%
30	FIT Rate	21.00%	21.00%	0.0%	0.0%
31	Total FIT	6,569.0	2,160.7	(20,991.8)	(0.7)
32	Amortization of Unrecoverable Prepaid Tax on Advances (1987)	195.6	195.6	0.0	0.0%
	Reversal of Exess Deferred Tax	(3,202.1)	(3,202.1)	0.0	0.0%
34	Total Income Taxes for Revenues at Present Rates	10,527.4	4,044.5	(6,482.9)	-61.6%

SAN JOSE WATER COMPANY A.21-01-003

TABLE 6-2 TAXES BASED ON INCOME - TEST YEAR AT PROPOSED RATES

Гes	t Year 2022 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ac	lvocates
1	Operating Revenue at Proposed Rates	425,050.9	437,629.1	12,578.2	3.0%
2	Common Deductions:				
3	Operating Expenses	273,475.1	271,710.2	(1,764.9)	-0.6%
4	Transportation Depreciation (Clearing Account)	(1,589.1)	(1,589.1)	0.0	0.0%
5	Interest Expense	27.507.0	30,069.0	2,562.0	9.3%
6	Other Permanent Differences	(6.9)	(6.9)	0.0	0.0%
7	50% Meal Disallowance	(342.9)	(342.9)	0.0	0.0%
8	Deductions excluding Depreciation	299,043.2	299,840.3	797.1	0.3%
9	State Corporation Franchise Tax				
10	Taxable Income before State Tax Depreciation	126.007.7	137,788.8	11,781.1	9.3%
11	Additional Deduction:	120,007.7	157,700.0	11,/61.1	9.5%
12	Tax Depreciation-State	(59,992.0)	(59,992.0)	0.0	0.0%
13	State Tax Deduction on Repairs and Maintenance	(16,684.6)	(16,684.6)	0.0	0.0%
14	Deferred Revenue (Net of Tax) & Section 263(a)	9,768.8	9,408.7	(360.1)	-3.7%
15	Additional Deduction for CCFT Subtotal	(66,907.9)	(67,268.0)	360.1	0.5%
16	Federal Tax Deductions				
17	Taxable Income Before Federal Tax Depreciation and CCFT	126,007.7	137,788.8	(11,781.1)	9.3%
18	Additional Deduction:	120,007.7	137,700.0	(11,701.1)	7.570
19	Tax Depreciation	(72,947.2)	(72,947.2)	0.0	0.0%
20	Calif. Corporation Franchise Tax	(4,603.0)	(3,129.2)	(1,473.8)	-32.0%
21	IRS Section 199 QPA Deduction	0.0	0.0	0.0	0.0%
22	Additional Deduction for Federal Tax Subtotal	(77,550.2)	(76,076.4)	(1,473.8)	-1.9%
23	Additional Beddenon for Federal Tax Subtotal	(77,550.2)	(70,070.1)	(1,175.0)	1.770
24	California Corporate Franchise Tax (CCFT)				
25	Taxable Income for CCFT	59,099.9	70,520.8	11,421.0	19.3%
26	CCFT Rate	8.84%	8.84%	0.0%	0.0%
27	Total CCFT	5,224.4	6,234.0	1,009.6	19.3%
28	Federal Income Tax (FIT)				
29	Taxable Income for FIT	48,457.6	61,712.4	13,254.9	27.4%
30	FIT Rate	21.00%	21.00%	0.0%	0.0%
	Total FIT	10,176.1	12,959.6	2,783.5	27.4%
32	Amortization of Unrecoverable Prepaid Tax on Advances (1987)	195.6	195.6	0.0	0.0%
	Reversal of Exess Deferred Tax	(3,202.1)	(3,202.1)	0.0	0.0%
21	Total Income Taxes for Revenues at Proposed Rates	12,394.0	16,187.1	3,793.1	30.6%

		SAN JOSE WATER COMP.	AN1 A.21-01-003			
		TABLE 7-1 UTILITY PLANT IN				!
		UTILITY PLANT IN	SERVICE			
Tes	t Year 2022	(\$000)	Cal Advocates	SJWC	SJWC > Cal A	dvocates
1	Plant in Ser	vice - Beginning of Year	1,982,796.4	2,032,947.5	50,151.1	2.59
2	Gross Addit	ione				
3	Land	10115.	0.0	0.0	0.0	0.09
4		of Supply	9,915.8	13,654.1	3,738.3	37.79
5		oirs & Tanks	4,613.6	16,365.5	11,751.9	254.79
6		reatment -	7,128.3	7,128.3	0.0	0.09
7		Stations & Equip.	6,821.3	7,188.3	367.0	5.49
8		Fransmission & Distr. Plant	67,062.1	92,149.1	25,087.0	37.49
9	Genera	l Plant	8,604.5	10,888.1	2,283.6	26.59
10	Total Gross	Additions	104,145.6	147,373.4	43,227.8	41.59
			104,145.6			
11	Retirement a	and Other Adjustments:				
12	Retiren	nents [1]	10,457.0	10,457.0	0.0	0.0%
13	Sales a	nd Adjustments	0.0	0.0	0.0	0.0%
14	Capital	ized Interest During Construction	2,913.1	3,907.4	994.4	34.1%
15	Net Addition	ns	96,601.6	140,823.8	44,222.2	45.8%
16	Net Addition	ns including Adv for Constr (Using Construction Budget)	100,224.9	146,863.5	46,638.6	46.5%
17	Dlant in Cam	vice - End of Year	2,083,021.3	2,179,811.1	96,789.7	4.60
	Plant Weigh		51.91%	34.28%	-17.6%	4.69 -34.09
		Average Plant in Service	2,032,940.4	2,081,221.9	48,281.6	2.4%
		lant in Service including Advances for Construction	2,034,821.2	2,083,292.4	48,471.2	2.4%
	,,,u,,,,,	and it got vice mending the united by the competences.	2,00 1,021,2	2,000,23211	10,17212	
Esc	alation Year	2023 (\$000)	Cal Advocates	SJWC	SJWC > Cal A	Advocates
1	Plant in Ser	vice - Beginning of Year	2,079,398.0	2,173,771.4	94,373.3	4.5%
2	Gross Addit	ions:				
3	Land		0.0	0.0	0.0	0.0%
4		of Supply	87.9	27,435.7	27,347.8	
5		oirs & Tanks	28,573.0	20,133.5	(8,439.5)	
6		Treatment	4,243.2	8,501.0	4,257.8	100.39
		Stations & Equip.	12,794.7	17,523.8	4,729.1	37.09
7	0.1					35.59
7 8		Γransmission & Distr. Plant	69,135.8	93,702.9	24,567.1	
7	Genera		69,135.8 6,838.7	7,661.9	823.2	12.09
7 8 9		l Plant	6,838.7 121,673.3			
7 8 9 10	Genera Total Gross	l Plant Additions	6,838.7	7,661.9	823.2	
7 8 9 10	Genera Total Gross Retirement	1 Plant Additions and Other Adjustments:	6,838.7 121,673.3 121,673.3	7,661.9 174,958.8	823.2 53,285.5	43.8%
7 8 9 10 11 12	Genera Total Gross Retirement a	l Plant Additions and Other Adjustments: nents [1]	6,838.7 121,673.3 121,673.3 10,457.0	7,661.9 174,958.8 10,457.0	823.2 53,285.5 0.0	0.0%
7 8 9 10 11 12 13	Retirement a Retirem	l Plant Additions and Other Adjustments: nents [1] nd Adjustments	6,838.7 121,673.3 121,673.3 10,457.0 0.0	7,661.9 174,958.8 10,457.0 0.0	823.2 53,285.5 0.0 0.0	0.0% 0.0%
7 8 9 10 11 12 13 14	Retirement a Retirem	l Plant Additions and Other Adjustments: nents [1] nd Adjustments ized Interest During Construction	6,838.7 121,673.3 121,673.3 10,457.0	7,661.9 174,958.8 10,457.0	823.2 53,285.5 0.0 0.0 1,314.3	0.09 0.09 0.09 38.69
7 8 9 10 11 12 13 14 15	Genera Total Gross Retirement a Retirem Sales a Capital Net Addition	1 Plant Additions and Other Adjustments: nents [1] nd Adjustments ized Interest During Construction ns	6,838.7 121,673.3 121,673.3 10,457.0 0.0 3,404.8 114,621.1	7,661.9 174,958.8 10,457.0 0.0 4,719.1 169,220.9	823.2 53,285.5 0.0 0.0 1,314.3 54,599.8	0.09 0.09 38.69 47.69
7 8 9 10 11 12 13 14 15	Genera Total Gross Retirement a Retirem Sales a Capital Net Addition	l Plant Additions and Other Adjustments: nents [1] nd Adjustments ized Interest During Construction	6,838.7 121,673.3 121,673.3 10,457.0 0.0 3,404.8	7,661.9 174,958.8 10,457.0 0.0 4,719.1	823.2 53,285.5 0.0 0.0 1,314.3	0.09 0.09 38.69 47.69
7 8 9 10 11 12 13 14 15	Genera Total Gross Retirement a Retirem Sales a Capital Net Addition Net Addition Plant in Ser	1 Plant Additions and Other Adjustments: nents [1] nd Adjustments ized Interest During Construction ns ns including Adv for Constr (Using Construction Budget) vice - End of Year	6,838.7 121,673.3 121,673.3 10,457.0 0.0 3,404.8 114,621.1 191,341.0 2,194,019.1	7,661.9 174,958.8 10,457.0 0.0 4,719.1 169,220.9 243,717.4 2,342,992.3	823.2 53,285.5 0.0 0.0 1,314.3 54,599.8 52,376.4 148,973.2	0.0% 0.0% 0.0% 38.6% 47.6% 27.4% 6.8%
7 8 9 10 11 12 13 14 15 16	Genera Total Gross Retirement a Retirem Sales a Capital Net Addition Net Addition Plant in Ser Plant Weigh	1 Plant Additions and Other Adjustments: nents [1] nd Adjustments ized Interest During Construction ns ns including Adv for Constr (Using Construction Budget) vice - End of Year nting Factor	6,838.7 121,673.3 121,673.3 10,457.0 0.0 3,404.8 114,621.1 191,341.0 2,194,019.1 51,91%	7,661.9 174,958.8 10,457.0 0.0 4,719.1 169,220.9 243,717.4 2,342,992.3 34.28%	823.2 53,285.5 0.0 0.0 1,314.3 54,599.8 52,376.4 148,973.2 -17.6%	12.0% 43.8% 0.0% 0.0% 38.6% 47.6% 27.4% 6.8% -34.0%
7 8 9 10 11 12 13 14 15 16	Genera Total Gross Retirement a Retirem Sales a Capital Net Addition Net Addition Plant in Ser Plant Weigh	1 Plant Additions and Other Adjustments: nents [1] nd Adjustments ized Interest During Construction ns ns including Adv for Constr (Using Construction Budget) vice - End of Year	6,838.7 121,673.3 121,673.3 10,457.0 0.0 3,404.8 114,621.1 191,341.0 2,194,019.1	7,661.9 174,958.8 10,457.0 0.0 4,719.1 169,220.9 243,717.4 2,342,992.3	823.2 53,285.5 0.0 0.0 1,314.3 54,599.8 52,376.4 148,973.2	43.8% 0.0% 0.0% 38.6% 47.6% 27.4% 6.8%

TABLE 8-1 DEPRECIATION RESERVE & EXPENSE							
Tes	t Year 2022 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ad	lvocates		
	τιαι 2022 (φουσ)	Curracyocaces	50 11 0	BUTTE CHITTE	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
1	Depreciation Reserve - Beginning of Year	733,261.7	721,377.1	(11,884.6)	-1.69		
2	Annual Accruals:						
3	Clearing Accounts (Transportation)	1,589.1	1,589.1	0.0	0.09		
4	CIAC	5,984.2	5,984.2	0.0	0.09		
5	Geographic Info System	0.0	0.0	0.0	0.09		
6	Expenses	68,428.0	71,297.7	2,869.7	4.29		
7	Total Annual Accruals	76,001.3	78,871.1	2,869.7	3.89		
8	Retirements and Adjustments:						
9	Net Retirements	14,677.9	16,627.4	1,949.5	13.3%		
10	Adjustments	0.0	0.0	0.0	0.09		
11	Total Retirement and Adjustments	14,677.9	16,627.4	1,949.5	13.3%		
	27	51.000.4	50.040.5	000.0			
12	Net Additions	61,323.4	62,243.6	920.3	1.5%		
13	Depreciation Reserve - End of Year	794,585.1	783,620.7	(10,964.4)	-1.49		
14	Depreciation Reserve Weighting Factor	53.50%	53.29%	-0.2%	-0.49		
15	Weighted Average Depreciation Reserve	766,069.8	754,546.7	(11,523.0)	-1.5%		
16	* Depreciation expense for summary of earnings calc.	68,428.0	71,297.7	2,869.7	4.2%		
10	(does not include depreciation for transportation, etc.)	00,426.0	71,297.7	2,809.1	4.27		
Esc	alation Year 2023 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ad	lvocates		
1	Depreciation Reserve - Beginning of Year	794,585.1	783,620.7	(10,964.4)	-1.49		
2	Accruals:						
3	Clearing Accounts (Transportation)		1,627.1	0.0	0.09		
		1,627.1		0.0	0.00		
4	CIAC	6,283.4	6,283.4	0.0			
4 5	Geographic Info System	6,283.4	6,283.4 0.0	0.0	0.09		
4		6,283.4	6,283.4		0.0% 0.0% 6.2% 5.6%		
4 5 6	Geographic Info System Expenses Total Accruals	6,283.4 0.0 70,216.1	6,283.4 0.0 74,598.7	0.0 4,382.7	0.0% 6.2%		
4 5 6 7	Geographic Info System Expenses Total Accruals Retirements and Adjustments:	6,283.4 0.0 70,216.1 78,126.6	6,283.4 0.0 74,598.7 82,509.3	0.0 4,382.7 4,382.7	0.0% 6.2% 5.6%		
4 5 6 7 8 9	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements	6,283.4 0.0 70,216.1 78,126.6	6,283.4 0.0 74,598.7 82,509.3	0.0 4,382.7 4,382.7 1,949.5	0.0% 6.2% 5.6%		
4 5 6 7 8 9 10	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0	0.0 4,382.7 4,382.7 1,949.5 0.0	0.0% 6.2% 5.6% 13.3% 0.0%		
4 5 6 7 8 9 10	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9	6,283.4 0.0 74,598.7 82,509.3	0.0 4,382.7 4,382.7 1,949.5	0.0% 6.2% 5.6% 13.3% 0.0%		
4 5 6 7 8 9 10	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments Total Retirement and Adjustments	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0 16,627.4	0.0 4,382.7 4,382.7 1,949.5 0.0 1,949.5	0.0% 6.2% 5.6% 13.3% 0.0% 13.3%		
4 5 6 7 8 9 10	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9 63,448.7	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0	0.0 4,382.7 4,382.7 1,949.5 0.0	0.0% 6.2% 5.6% 13.3% 0.0% 13.3%		
4 5 6 7 8 9 10 11	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments Total Retirement and Adjustments Net Additions	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9 63,448.7 63,448.7	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0 16,627.4 65,881.9	0.0 4,382.7 4,382.7 1,949.5 0.0 1,949.5 2,433.2	0.0% 6.2% 5.6% 13.3% 0.0% 13.3%		
4 5 6 7 8 9 10 11	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments Total Retirement and Adjustments Net Additions Depreciation Reserve - End of Year	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9 63,448.7 63,448.7 858,033.8	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0 16,627.4 65,881.9 849,502.6	0.0 4,382.7 4,382.7 1,949.5 0.0 1,949.5 2,433.2 (8,531.2)	0.0% 6.2% 5.6% 13.3% 0.0% 13.3% 3.8%		
4 5 6 7 8 9 10 11 12 13 14	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments Total Retirement and Adjustments Net Additions Depreciation Reserve - End of Year Depreciation Reserve Weighting Factor	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9 63,448.7 63,448.7 858,033.8 53.50%	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0 16,627.4 65,881.9 849,502.6 53.29%	0.0 4,382.7 4,382.7 1,949.5 0.0 1,949.5 2,433.2 (8,531.2) -0.2%	0.0% 6.2% 5.6% 13.3% 0.0% 13.3% 3.8%		
4 5 6 7 8 9 10 11 12 13 14	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments Total Retirement and Adjustments Net Additions Depreciation Reserve - End of Year	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9 63,448.7 63,448.7 858,033.8	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0 16,627.4 65,881.9 849,502.6	0.0 4,382.7 4,382.7 1,949.5 0.0 1,949.5 2,433.2 (8,531.2)	0.0% 6.2% 5.6% 13.3% 0.0% 13.3% 3.8%		
4 5 6 7 8 9 10 11 12 13 14 15	Geographic Info System Expenses Total Accruals Retirements and Adjustments: Net Retirements Adjustments Total Retirement and Adjustments Net Additions Depreciation Reserve - End of Year Depreciation Reserve Weighting Factor	6,283.4 0.0 70,216.1 78,126.6 14,677.9 0.0 14,677.9 14,677.9 63,448.7 63,448.7 858,033.8 53.50%	6,283.4 0.0 74,598.7 82,509.3 16,627.4 0.0 16,627.4 65,881.9 849,502.6 53.29%	0.0 4,382.7 4,382.7 1,949.5 0.0 1,949.5 2,433.2 (8,531.2) -0.2%	0.0% 6.2% 5.6% 13.3% 0.0% 13.3% 3.8%		

	SAN JOSE WATER COMP	ANY A.21-01-003			
	TABLE 9-				
	WEIGHTED AVERAGE RATE		R		
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Гest	t Year 2022 (\$000)	Cal Advocates	SJWC	SJWC > Cal Ad	vocates
1	Weighted Average Plant In Service including advances for construction	2,034,821.2	2,083,292.4	48,471.2	2.49
	Weighted Average Depreciation Reserve	(766,069.8)	(754,546.7)	11,523.0	-1.59
3	Net Utility Plant	1,268,751.4	1,328,745.6	59,994.2	4.7%
4	Deductions from Rate Base:				
5	Adjustment to Plant:				
6	Advances for Construction	80,339.8	78,475.9	(1,863.9)	-2.39
7	Contribution In Aid of Contruction	141,939.9	142,061.1	121.2	0.19
8	Plant Funded by SDWSRF loan	370.2	370.2	0.0	0.09
9	Reserve for Amortization	585.5	585.5	0.0	0.0%
10	Total Adjustment to Plant	223,235.4	221,492.7	(1,742.7)	-0.8%
11	Deferred Federal Income Tax Liability	137,578.6	134,617.1	(2,961.6)	-2.2%
12	Investment Tax Credit Reserve	864.6	864.6	0.0	0.0%
13	Total Deductions from Rate Base	361,678.6	356,974.4	(4,704.3)	-1.3%
14	Additions to Rate Base:				
15	Working Capital	26,320.4	52,112.4	25,791.9	98.0%
16	Ratebase Taxed Contribution	12,731.2	12,138.0	(593.2)	-4.7%
17	Ratebase Taxed Advances	3,693.7	3,797.1	103.4	2.8%
18	Total Additions to Rate Base	42,745.3	68,047.4	25,302.1	59.2%
19	Weighted Average Rate Base	949,818.1	1,039,818.7	90,000.6	9.5%
20	Interest Calculation (for Tax Deductions):				
21	Weighted Avg. Rate Base less customer deposits in Working Cash	949.818.1	1,039,818.7	90,000.6	9.5%
22	Customer Deposit in Working Cash:	(1,315.8)	(1.315.8)	0.0	0.0%
23	Weighted Cost of Debt	2.90%	2.90%	0.0%	0.09
24	Interest Expense	27,506.6	30.116.6	2.610.0	9.5%

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	SAN JOSE WATER COMI	ANY A.21-01-003			
	TABLE 9-				
	WEIGHTED AVERAGE RATE BA	SE - ESCALATION	YEAR		
Esca	alation Year 2023 (\$000)	Cal Advocates	SJWC	SJWC > Cal A	dvocates
	W'14 1A DI 4I G ' ' 1 I' 1 C 4 4'	0.170.710.2	2 257 217 7	70.500.4	2.60
1	Weighted Average Plant In Service including advances for construction		2,257,317.7	78,598.4	3.6%
2	Weighted Average Depreciation Reserve	(828,530.2)	(818,729.2)	9,801.0	-1.2% 6.5%
3	Net Utility Plant	1,350,189.1	1,438,588.5	88,399.3	0.5%
4	Deductions from Rate Base:				
5	Adjustment to Plant:				
6	Advances for Construction	80,467.4	78,575.1	(1,892.3)	-2.4%
7	Contribution In Aid of Contruction	150,628.4	149.614.2	(1,014.2)	-0.7%
8	Plant Funded by SDWSRF loan	180.2	180.2	0.0	0.0%
9	Reserve for Amortization	601.8	601.8	0.0	0.0%
10	Total Adjustment to Plant	231,877.8	228,971.3	(2,906.5)	-1.3%
11	Deferred Income Tax Liability	132.624.7	128,663.6	(3,961.1)	-3.0%
12	Investment Tax Credit Reserve	804.6	804.6	0.0	0.0%
13	Total Deductions from Rate Base	365,307.1	358,439.5	(6,867.6)	-1.9%
		-	,		-
14	Additions to Rate Base:				
15	Working Capital	27,094.4	53,607.2	26,512.8	97.9%
16	Ratebase Taxed Contribution	14,644.4	13,968.2	(676.2)	-4.6%
17	Ratebase Taxed Advances	3,794.2	4,006.6	212.4	5.6%
18	Total Additions to Rate Base	45,533.0	71,582.0	26,049.0	57.2%
19	Weighted Average Rate Base	1,030,415.0	1,151,731.0	121,316.0	11.774%
20	Interest Calculation (for Tax Deductions):				
21	Weighted Avg. Rate Base less customer deposits in Working Cash	1,030,415.0	1,151,731.0	121,316.0	11.8%
22	Customer Deposit in Working Cash:	(1,315.8)	(1,315.8)	0.0	0.0%
23	Weighted Cost of Debt	2.90%	2.90%	0.0%	0.0%
24	Interest Expense	29,843.9	33,362.0	3,518.2	11.8%

ATTACHMENT 1: STATEMENT OF QUALIFICATIONS - PRASHANTA ADHIKARI

- 1 Q1. Please state your name, business address, and position with the California Public 2 Utilities Commission ("Commission"). 3 A1. My name is Prashanta Adhikari, and my business address is 505 Van Ness 4 Avenue, San Francisco, California 94102. I am a Public Utilities Regulatory 5 Analyst (PURA) in the Communications Water & Policy Branch of the Public 6 Advocates Office. 7 By whom are you employed and in what capacity? Q2 8 A2. I am employed by the Commission's Public Advocates Office as a PURA. 9 Q3. Please summarize your education background and professional experience.
- 10 A3. I have a BA in Economics from University of California, Davis (2017) and have worked as a PURA since October 2019.
- 12 Q4. What is your responsibility in this proceeding?
- 13 A4. My responsibility is preparing testimony on taxes and rate base, and the Results of Operation Tables and report.
- 15 Q5. Does this conclude your prepared direct testimony?
- 16 A5. Yes.